



State of Utah

Department of
Natural Resources

MICHAEL R. STYLER
Executive Director

Division of
Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 28, 2006

CERTIFIED RETURN RECEIPT
7004 2510 0004 1824 8132

Lantz Indergard
Lisbon Valley Mining Company LLC.
P.O. Box 248
LaSal, Utah 84530

Subject: Review of Amendment to the Notice of Intention to Commence Large Mining Operations, Lisbon Valley Mining Company, Lisbon Valley Copper, M/037/088, Task ID# 1633, San Juan County, Utah

Dear Mr. Indergard:

The Division has completed a review of your amendment for the Lisbon Valley Copper Mine, received November 30, 2006. After reviewing the information, the Division has the following comments, which need to be addressed before approval may be granted.

The comments are listed below under the applicable Minerals Rule heading. Please address only those items requested in the attached technical review. Send replacement pages to the original notice **using redline and strikeout text** and indicate how these are to be incorporated into the plan using the attached Form-MR-REV-att. After the notice is determined technically complete you will be asked to send us two clean copies; one copy will be returned.

If you have any questions please contact me, 538-5258, or Doug Jensen of the Minerals Staff. If you wish to discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

for Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:dj:jb

Attachment: Review, Form MR-REV-att

cc: Frank Bain, BLM, Moab FO (UTU-72499)

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**SECOND REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING
OPERATIONS**

**Lisbon Valley Mining Company LLC
Lisbon Valley Copper Mine**

**M/037/088
Current Date**

R647-4-104 - Filing Requirements and Review Procedures

At the present time the Division only has in its possession the "Proposed Plan of Operations for the Lisbon Valley Project".

Is there a copy of the plan that notes that it is the "Approved" POO? If one exists, the Division would appreciate having a copy for its files. (DJ)

R647-4-105 - Maps, Drawings & Photographs

105.1 Topographic base map, boundaries, pre-act disturbance

The Proposed Centennial Pit Amendment map was enclosed with the amended plan.

The amendment should note which map in the plan this map should replace or if this is an additional feature. Also where this map should be located in the POO. Because the map is to be included in the POO, the map should be numbered, if necessary. (DJ)

105.2 Surface facilities map

The amendment involves the re-routing of the county road and the gas line.

The map included with the amendment should show the proposed location of the realigned road and gas line. (DJ)

R647-4-106 - Operation Plan

106.4 Nature of materials mined, waste and estimated tonnages

In Section 3.1.2.2 on page 7, the amendment states that the ore in Phase II is less oxidized and underlies a thick sequence of waste.

In the original POO states that this sequence occurs in Phase III. Is this a typo that should be changed in the amended pages? (DJ)

Section 3.1.6 of the amendment states the current production calls for a total of 79,646,000 tons of waste.

The total of the waste tonnage shown in this amendment indicates that a total of 87,928,430 tons of waste will be produced. Please review this statement and make the necessary adjustments. (DJ)

The amendment states the dump north of the Centennial pit will hold 17,356,00 tons, which represents all of the waste from the Centennial and all of the waste from the Sentinel pit.

The amendment indicates that the waste from the Centennial and Sentinel pits will total 67,330,310 tons. Please review this statement and make the appropriate changes. (DJ)

An additional statement is made that the dump west of the GTO pit will hold 36,212,000 tons representing all of the waste from the GTO.

The amendment indicates that the waste from the GTO pit will only total 20,598,120 tons of waste. These two statements seem to be in conflict, some language change could be made to make the two statements less confusing. (DJ)

R647-4-113 – Surety

Has the surety been review to assess whether these changes will result in additional reclamation liabilities? (DJ)